

RECORDATION NO. 27394-F FILED

MAR 27 '08 -8 00 AM

SURFACE TRANSPORTATION BOARD

OF COUNSEL
URBAN A LESTER

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

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March 27, 2008

Anne K. Quinlan, Esquire
Acting Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

Dear Ms. Quinlan:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Schedule No. 4, dated as of March 18, 2008, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Lease Agreement previously filed with the Board under Recordation Number 27394.

The names and addresses of the parties to the enclosed document are:

Lessor: Rail Trusts Equipment, Inc.
1661 Beach Blvd.
Jacksonville Beach, FL 32250

Lessee: Garnet of Maryland, Inc.
8077 Brock Bridge Road
Jessup, MD 20794

Ms. Anne K. Quinlan, Esq.
March 27, 2008
Page 2

A description of the railroad equipment covered by the enclosed document is:

13 gondola railcars within the series USWX 8137 - USWX 8179 as more particularly set forth in the attachment to the document.

A short summary of the document to appear in the index is:

Schedule No. 4.

Also enclosed is a check in the amount of \$35.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. W. Alvord', with a stylized, flowing script.

Robert W. Alvord

RWA/sem
Enclosures

SCHEDULE NO. 4

THIS SCHEDULE NO. 4 ("Schedule") to that certain Lease Agreement (the "Agreement") dated as of October 22, 2007, by and between Lessor and Lessee (as defined herein) is made as of March 18, 2008 between Rail Trusts Equipment, Inc., or its assignee, as lessor ("Lessor"), and Garnet of Maryland, Inc. as lessee ("Lessee"). The terms of the Agreement are hereby incorporated into this Schedule in their entirety, as though fully set forth herein.

Lessor and Lessee agree as follows:

1. All capitalized terms defined in the Agreement shall have the meanings defined therein when used in this Schedule No. 4, except that the term "Cars" as used herein shall only refer to the equipment described in this Schedule unless otherwise indicated.

2. Lessor hereby leases the following Cars to Lessee subject to the terms and conditions of the Agreement and this Schedule:

Point of tender: National Steel Car, Hamilton, ON

Car Description: 8700 Cubic Foot Gondola Railcar, as referenced by National Steel Car Limited Proposal Drawing 23418382A to Waste Management dated August 2, 2007. Thirteen (13) 8700 c.f. 286,000 lb. gross rail Gondola Cars, specification and the subsequent railcar product manufactured and delivered against the lease agreement between Rail Trusts Equipment, Inc. and Garnet of Maryland, Inc., dated October 22, 2007 are designed referencing the Strachan & Henshaw railcar dumper drawings, supplied by Garnet of Maryland, Inc (the "lessee") and noted below.

Strachan & Henshaw Dumper Reference Drawings:

- a. Drawing number 54968-000 - First Issue dated 04/1996
- b. Drawing number A540969 - Converted from Alabama C6350/A513373 05/16/1996
- c. Drawing number 610704 - First Issue dated 04/1996

QUANTITY CAR NUMBERS/SERIAL NUMBERS: QUANTITY CARNUMBERS/SERIAL NUMBERS:

1	USWX 8175	1	USWX 8176
1	USWX 8177	1	USWX 8178
1	USWX 8137	1	USWX 8150
1	USWX 8155	1	USWX 8163
1	USWX 8151	1	USWX 8159
1	USWX 8160	1	USWX 8179
1	USWX 8171		

4. The Term of the Agreement with respect to each Car described in this Schedule shall be ninety-six (96) months (the "Initial Term"). The Initial Term shall commence (the "Commencement Date") on the first of the month following the date that the last Car has been delivered. Lessee shall pay Interim Rent, as defined below, on Cars delivered prior to the Commencement Date equal to the daily equivalent of the Basic Rent ("Interim Rent"), payable monthly. Periods of less than a full calendar month ("Month") shall be prorated based on a 30-day Month.

5. Lessee shall perform all of the registration and record keeping required for the Cars described in this Schedule, as described in Section 4 of the Agreement.

6. a) The Basic Rent ("Basic Rent") shall be \$1,067.45 per Car per Month for each Month during the Initial Term. The Basic Rent shall be due and payable without any demand, notice, abatement, reduction, or offset.

b) Lessee shall pay to Lessor the Basic Rent and any other amounts reimbursable to Lessor, in advance, on the first day of each Month during the Initial Term. Rental and other payments shall be sent to:

Rail Trusts Equipment, Inc.
P.O. Box 50456
Jacksonville Beach, FL 32240
Attention: Accounts Receivable Manager

or to such other address as Lessor may from time to time designate.

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In addition, Mileage and Per Diem payments (as defined below) paid or allowed by railroads with respect to the Cars shall be the property of Lessee. Mileage and Per Diem, sometimes referred to together herein as Car Hire, are defined at all times to be the sum of the hourly per diem ("Per Diem") and mileage earnings ("Mileage") of the Cars, in accordance with the Code of Car Hire Rules of the AAR then in effect and all Mileage earned as private mileage allowance under the provisions of published tariffs.

7. Upon the expiration or termination of the Agreement with respect to the Car(s) described in this Schedule, without demand by Lessor, Lessee, at its sole expense, shall return such Car(s) to Lessor, pursuant to the terms of this paragraph, the Rider No. 1 attached hereto and made a part hereof, and Section 14 of the Agreement uncontaminated and in the same condition as received, less ordinary wear and tear, and in a condition fit for interchange between railroads signatory to railroad agreements that have handled this equipment while under control of Lessee and free of liens arising by, through or under Lessee, by delivering the Cars to Lessor at any maintenance, storage or terminal facility as Lessor designates to Lessee in writing. Rent for each Car shall cease only when each such Car is returned in the above condition to the point referenced above. Upon request, Lessee will store Car(s) for up to one hundred twenty (120) days from the date rent for such Car ceases as provided for above, free of charge at Lessor's risk, except for losses and claims arising from Lessee's negligence or willful misconduct.

(a) Extension; Purchase. In lieu of Lessee's obligation to return the Cars to Lessor upon expiry of the Initial Term, Lessee may, if no Event of Default exists, and upon Lessee having provided to Lessor notice not less than 120 days prior to such expiry, irrevocably elect to:

- (i) extend the Initial Term as to all and not less than all of the Cars under this Schedule for a period to be agreed upon by Lessee and Lessor for an amount equal to the Cars then fair market rental value as determined by the Parties. The fair market rental value shall be payable monthly by Lessee to Lessor on the first day of each month during the extension term, or
- (ii) purchase all of Lessor's right, title and interest in and to all, but not less than all, of the Cars under this Schedule on an "as-is, where-is," quitclaim basis, for a purchase price equal to \$57,552.47 per railcar.

8. Modifications to the Agreement. The parties hereby agree to amend the Agreement, but solely as it pertains to this Schedule No. 4, as follows:

- (i) The first line of Section 7. C) is hereby amended to read: "C) The insurance requirements of Subsection (A) (ii) above may be satisfied in";
- (ii) Section 10. D) is hereby deleted in its entirety and replaced with the following:
 "D) If any Rent or other amount payable hereunder is not paid within 10 days of its due date, Lessee shall pay an administrative late charge of 5% of the amount not timely paid. Lessee shall pay interest equal to the lesser of (a) 10% per annum, or (b) the highest rate permitted by applicable law ("Default Rate") on (i) any amount other than Rent owing hereunder and not paid when due, (ii) Rent not paid within 30 days of its due date, and (iii) any amount required to be paid upon termination of this Agreement under Section 13 hereof";
- (iii) Section 13.A) is hereby amended by adding thereto the following subsections:
- (vi) Lessee (w) enters into any merger or consolidation with, or sells or transfers all or any substantial portion of its assets to, or enters into any partnership or joint venture other than in the ordinary course of business with, any entity, (x) dissolves, liquidates or ceases or suspends the conduct of business, or ceases to maintain its existence, (y) if Lessee is a privately held entity, enters into or suffers any transaction or series of transactions as a result of which Lessee is directly or indirectly controlled by persons or entities not directly or indirectly controlling Lessee as of the date hereof, or (z) if Lessee is a publicly held entity, there shall be a change in the ownership of Lessee's stock or other equivalent ownership interest such that Lessee is no longer subject to the reporting requirements of, or no longer has a class of equity securities registered under, the Securities Act of 1933 or the Securities Exchange Act of 1934; or
- (iv) any material default occurs, that goes uncured beyond any applicable grace period, under any other lease, credit or other agreement or instrument to which Lessee, or any guarantor of Lessee's obligations hereunder, and Lessor or any affiliate of Lessor are now or hereafter party."
- (v) The sixth line of Section 17.A) is hereby amended to read:
 ".... not limited to Lessor's strict liability in tort, arising out of the use, ownership, possession, storage, operation, condition, repair,"

9. Except as expressly modified by this Schedule, all terms and provisions of the Agreement shall remain in full force and effect with respect hereto.

10. This Schedule may be executed by the parties herein in any number of counterparts, and all counterparts taken together shall be deemed to constitute one instrument.

LESSEE:

Garnet of Maryland, Inc.

BY: John S. SkarlatosNAME: John S. SkarlatosTITLE: Vice PresidentDATE: 3/25/08

Notarial Acknowledgment:

State of Pennsylvania
County of Bucks

I hereby certify that on this day before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared John S. Skarlatos, Vice President of Garnet of Maryland, Inc.
to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged before me that (he, she, they) duly executed the same.
In Witness Whereof I have hereunto set my hand and official seal this 25th day of March, 2008.
My Commission Expires Oct 18, 2008.

(Official Seal)

Karen L. Osilka
Notary Public

LESSOR:

Rail Trusts Equipment, Inc.

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
KAREN L. OSILKA, Notary Public
Falls Twp., Bucks County
My Commission Expires October 18, 2008

BY: _____

NAME: _____

TITLE: Vice President

DATE: _____

Notarial Acknowledgment:

State of _____
County of _____

I hereby certify that on this day before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared _____
to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged before me that (he, she, they) duly executed the same.
In Witness Whereof I have hereunto set my hand and official seal this _____ day of _____, 2008.
My Commission Expires _____, 20__.

(Official Seal)

Notary Public

Attachments: Exhibit A - Certificate of Acceptance
Rider #1 - Return Conditions and Ship Table

10. This Schedule may be executed by the parties hereto in any number of counterparts, and all counterparts taken together shall be deemed to constitute one instrument.

LESSEE:

Garnet of Maryland, Inc.

BY: _____

NAME: _____

TITLE: _____

DATE: _____

Notarial Acknowledgment:

State of Pennsylvania
County of Bucks

I hereby certify that on this day before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared _____

to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged before me that (he, she, they) duly executed the same.
In Witness Whereof I have hereunto set my hand and official seal this _____ day of _____, 2008.
My Commission Expires _____, 20__.

(Official Seal)

Notary Public

LESSOR:

Rail Trusts Equipment, Inc.

BY: [Signature]

NAME: Griffiths

TITLE: Vice President

DATE: 3/20/08

Notarial Acknowledgment:

State of Florida
County of Duval

I hereby certify that on this day before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Griffiths

to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged before me that (he, she, they) duly executed the same.
In Witness Whereof I have hereunto set my hand and official seal this 20 day of March, 2008.
My Commission Expires March 14, 2008.

(Official Seal)

[Signature]
Notary Public

Attachments: Exhibit A. Certificate of Acceptance
Rider #1 - Return Conditions and Ship Table

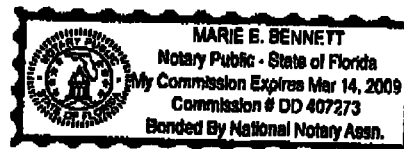


EXHIBIT A

PURSUANT TO LEASE AGREEMENT

CERTIFICATE OF ACCEPTANCE OF
RAILROAD CARS

Garnet of Maryland This Certificate relates to the railroad cars listed below leased by Rail Trusts Equipment, Inc. to Waste Management, Inc. under Schedule ~~800.4~~ ^{800.4}, to a Lease Agreement dated as of October 22, 2007 (the "Agreement"), into which this Certificate is incorporated.

DESCRIPTION OF CARS: 8700 Cubic Foot Gondola Railcar

QUANTITY OF CARS: 5

CAR NUMBERS: USWX 8151, 8159, 8160, 8171, 8179

Lessee hereby certifies the fitness and suitability and its unconditional acceptance of the railroad cars listed herein as of the date each Car is tendered to Lessee and hereby subjects said railroad cars to the Agreement.

Lessee hereby certifies that the representations and warranties of Lessee contained in the Agreement are true and correct as of the date below written and that no Event of Default exists or with the passage of time would exist with regard to the Agreement.

Lessee hereby certifies that the undersigned officer signing on behalf of Lessee is duly authorized to execute and deliver this Certificate.

LESSEE:

Garnet of Maryland, Inc.

BY: NAME: H. Lee MullerTITLE: Group Procurement DirectorDATE: March 12, 2008

EXHIBIT A

PURSUANT TO LEASE AGREEMENT

CERTIFICATE OF ACCEPTANCE OF
RAILROAD CARS

Garnet of Maryland, Inc.

This Certificate relates to the railroad cars listed below leased by Rail Trusts Equipment, Inc. to ~~Waste Management, Inc.~~ under Schedule ~~NO. 4~~, to a Lease Agreement dated as of October 22, 2007 (the "Agreement"), into which this Certificate is incorporated.

DESCRIPTION OF CARS: 8700 Cubic Foot Gondola Railcar

QUANTITY OF CARS: 8

CAR NUMBERS: USWX 8137, 8150, 8155, 8163, 8175, 8176, 8177, 8178

Lessee hereby certifies the fitness and suitability and its unconditional acceptance of the railroad cars listed herein as of the date each Car is tendered to Lessee and hereby subjects said railroad cars to the Agreement.

Lessee hereby certifies that the representations and warranties of Lessee contained in the Agreement are true and correct as of the date below written and that no Event of Default exists or with the passage of time would exist with regard to the Agreement.

Lessee hereby certifies that the undersigned officer signing on behalf of Lessee is duly authorized to execute and deliver this Certificate.

LESSEE:

Garnet of Maryland, Inc.

BY: NAME: H. Lee MullerTITLE: Group Procurement DirectorDATE: March 10, 2008

<u>Base Rent Installment Number</u>	<u>Stipulated Loss Value Percentage</u>	<u>Base Rent Installment Number</u>	<u>Stipulated Loss Value Percentage</u>	<u>Base Rent Installment Number</u>	<u>Stipulated Loss Value Percentage</u>
1	104.0777	39	85.61545	78	59.93141
2	103.6807	40	85.03228	79	59.19477
3	103.2804	41	84.44499	80	58.45372
4	102.8751	42	83.85321	81	57.70926
5	102.4661	43	83.25732	82	56.9604
6	102.052	44	82.65753	83	56.20709
7	101.6342	45	82.05317	84	55.45032
8	101.2131	46	81.44467	85	54.68911
9	100.7869	47	80.83221	86	53.92341
10	100.357	48	80.21514	87	53.15319
11	99.92371	49	79.59389	88	52.38157
12	99.48525	50	78.96863	89	51.6057
13	99.04303	51	78.33936	90	50.8284
14	98.59743	52	77.7071	91	50.04683
15	98.14845	53	77.0708	92	49.91000
16	97.6898	54	76.4315	93	49.91000
17	97.22683	55	75.78813	94	49.91000
18	96.75415	56	75.14068	95	49.91000
19	96.27711	57	74.49017	96	49.91000
20	95.79657	58	73.83557		
21	95.30624	59	73.17684		
22	94.8115	60	72.51502		
23	94.3132	61	71.84907		
24	93.80504	62	71.17895		
25	93.29241	63	70.50466		
26	92.77616	64	69.82721		
27	92.25628	65	69.14558		
28	91.72977	66	68.46076		
29	91.1991	67	67.77174		
30	90.66177	68	67.07847		
31	90.12026	69	66.38198		
32	89.575	70	65.68124		
33	89.02303	71	64.97622		
34	88.46683	72	64.26792		
35	87.90685	73	63.55534		
36	87.34009	74	62.83843		
37	86.76904	75	62.11719		
38	86.19417	76	61.39261		
1	104.0777	77	60.66369		

SUPPLEMENTAL MAINTENANCE AND RETURN CONDITIONS

RIDER I

RAILCARS

Maintenance

A) Upon expiration or any earlier termination of the Lease, all Equipment shall be returned to the location(s) designated by Lessor in the same condition as when first accepted by Lessee, less ordinary wear and tear resulting from the normal and proper use common to vehicles being utilized to transport waste thereof, and in compliance with the following: (i) free of any special advertising, lettering or other marking, washed (interior and exterior) and generally free of any liquid or product residue, silt, sludge or other debris, and otherwise in the condition in which it is required to be maintained hereunder; (ii) all wheels shall have a minimum thickness and contour that meets or exceeds AAR Interchange standards; (iii) all air brake components not meeting minimum requirements must be repaired or replaced as required under applicable AAR rules; (iv) brake shoes shall have a minimum of the usable wear remaining that meets or exceeds AAR standards; (v)

Ordinary wear and tear, for the purpose of this agreement, is defined as follows: dents, bulges, bowing, minor interior and exterior surface rust, scratches, sheet steel patches, and typical wear on mechanical components that do not affect the structural integrity of the Railcar(s) or cause the Railcar(s) to be unsuitable for normal revenue service and interchange (as outlined by the Federal Railroad Administration (FRA), the Association of American Railroads (AAR), and the National Transportation Agency (NTA), or their successors with jurisdiction over the operations of Railcars in the geographic areas where the subject Railcars operate).

Sub-surface corrosion shall not be considered ordinary wear and tear, and every effort will be made to stop its progression before any damage or deterioration occurs. To the extent that damage or deterioration does occur, corrective repairs and replacements will be made in accordance with standard industry practice.

-Bowing that causes the car width to exceed the original design width of the car, as indicated in the Plate F diagram, by four inches (4") or more shall not be considered ordinary wear and tear; If bowing is found to have caused deviation of 4 inches or more from the original specifications, the Lessee will bring the car back into compliance with the original Plate F dimensions.

B) Lessee shall make no repair, alteration, modification, addition or attachment (collectively "Modification") with respect to any item of Equipment which (i) interferes with the normal and satisfactory operation or maintenance thereof; (ii) creates a safety hazard, (iii) violates any provision of this Annex or the Master Lease, (iv) results in the creation of a mechanic's or materialmen's lien with respect thereto, (v) impairs the originally intended function, use or value of such item as it existed immediately prior to the Modification or (vi) decreases the residual value, remaining useful life or utility of such item of Equipment;

C) Lessee must notify Lessor in writing not less than 180 days prior to expiration of the Base Term and of any extension or renewal thereof of Lessee's intent to return the Equipment or to exercise any purchase or renewal option set forth in the Schedule.

D) Return location(s) will be determined by Lessor on CSX lines within the Continental United States.

CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: 3/27/08



Robert W. Alvord